VZCZCXRO9852
OO RUEHCN RUEHGH RUEHVC
DE RUEHIN #1189 2750807
ZNY CCCCC ZZH
O 020807Z OCT 09
FM AIT TAIPEI
TO RUEHC/SECSTATE WASHDC IMMEDIATE 2424
INFO RUEHOO/CHINA POSTS COLLECTIVE IMMEDIATE
RHMFISS/JOINT STAFF WASHINGTON DC IMMEDIATE
RUEAIIA/CIA WASHDC IMMEDIATE
RHEFDIA/DIA WASHINGTON DC IMMEDIATE
RHHMUNA/USPACOM HONOLULU HI IMMEDIATE
RUEKJCS/SECDEF WASHINGTON DC IMMEDIATE

CONFIDENTIAL TAIPEI 001189

SIPDIS

E.O. 12958: DECL: 10/02/2019
TAGS: PREL PGOV MARR APECO TW CH
SUBJECT: KMT GRANDEE LIEN CHAN CALLS FOR
CONFIDENCE-BUILDING MEASURES WITH CHINA

Classified By: Director Bill Stanton. Reasons: 1,4 b/d

11. (C) Summary: Kuomintang (KMT) Honorary Chairman Lien Chan told the Director he favored gradual implementation of confidence-building measures to further improve relations with China. Lien spoke warmly about his relationship with China's President Hu Jintao, but appeared less enthusiastic about Taiwan President Ma Ying-jeou, with whom he has had a longstanding rivalry within the KMT. No decision had been made on who would represent Taiwan at the upcoming summit of the Asia-Pacific Economic Cooperation (APEC) forum, Lien said. End Summary.

EXPLORE CONFIDENCE-BUILDING MEASURES

12. (C) KMT Honorary Chairman Lien Chan has been a longtime key player in pushing forward cross-Strait ties. As Chairman and now Honorary Chairman of the KMT, he has met several times with Chinese President Hu Jintao (in his capacity as Chinese Communist Party General Secretary) to discuss strengthening relations. In their October 2 introductory call, the Director asked whether Lien was concerned by the military might that was on display the day before at China's National Day celebrations. Lien said he was "not overwhelmingly worried" but said the time had come to explore confidence-building measures between the two sides. While he acknowledged there was not yet consensus for such measures, he referred to local media reports that Deputy Secretary Steinberg recently had raised the possibility of such steps. Lien said the measures would have to be employed gradually, "step by step, piece by piece," and not as a package. His adviser, Stephen S. F. Chen, suggested that establishing a hotline between rival commanders on Taiwan's Kinmen island and the nearby Chinese city of Xiamen would be one possible initial step.

RETURNING TO APEC?

¶3. (C) When asked by the Director if he would again represent Taiwan at the November 12-14 APEC summit in Singapore, Lien responded, "we have not decided yet." Lien led the Taiwan delegation at the Peru summit in November 2008, during which he met with President Hu of China. He said the issue of this year's representative was "a little complicated," but did not elaborate. He joked that he hoped he held the greatest trust of President Ma, who will decide who represents Taiwan in November. "That's most important," he added.

LIEN AND MA: NOT BEST BUDDIES

14. (C) In fact, Lien said nothing during the introductory call that would counter the popular perception he and Ma, who

will become KMT chairman on October 17, have a testy relationship. Lien acknowledged the two did not talk on a regular basis. When the Director initially asked Lien to evaluate Ma's opening to China, he pointedly referred to him twice as "Mr. Ma" instead of "President Ma." When he finally did answer the question much later in the conversation, Lien suggested that whatever advances Ma had made with cross-Strait relations had been done based on his advice. Indeed, throughout the conversation Lien spoke more warmly of his meetings with Hu than of his relationship with Ma.

15. (C) Lien also provided a cautionary forecast for KMT prospects in upcoming local elections in December and next year. "It doesn't seem to me we are making winning teams everywhere," he said, referring to President Ma's support of uncorrupt yet untried candidates over time-tested politicians. "The old ones are not all bad," Lien said. He predicted the president would "have some headaches" after taking up the party chairmanship. STANTON